

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 441

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO THE TAXATION OF PERSONAL PROPERTY; AMENDING SECTION 33-1103, IDAHO CODE, TO REVISE THE DEFINITION OF "MARKET VALUE FOR ASSESSMENT PURPOSES"; AMENDING SECTION 63-309, IDAHO CODE, TO PROVIDE THAT CERTAIN PROPERTY IS NOT ELIGIBLE FOR THE PERSONAL PROPERTY TAX EXEMPTION; AMENDING SECTION 63-602KK, IDAHO CODE, TO REVISE CERTAIN ADMINISTRATIVE PROVISIONS REGARDING ADMINISTRATION OF THE PERSONAL PROPERTY TAX EXEMPTION AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 63-803, IDAHO CODE, TO REVISE THE DEFINITION OF "TAXABLE VALUE"; AMENDING SECTION 63-803, IDAHO CODE, AS ADDED BY SECTION 13, CHAPTER 339, LAWS OF 2012, TO REVISE THE DEFINITION OF "TAXABLE VALUE"; AMENDING SECTION 63-3638, IDAHO CODE, TO PROVIDE FOR DISTRIBUTION OF SALES TAX MONEYS IF TAXING DISTRICTS ARE CONSOLIDATED, TO PROVIDE FOR THE EFFECT OF TAXING DISTRICTS OR REVENUE ALLOCATION AREAS ANNEXING TERRITORY AND TO PROVIDE FOR TAXING DISTRICT AND REVENUE ALLOCATION AREA INELIGIBILITY TO RECEIVE MONEYS; DECLARING AN EMERGENCY, PROVIDING RETROACTIVE APPLICATION AND PROVIDING EFFECTIVE DATES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 33-1103, Idaho Code, be, and the same is hereby amended to read as follows:

33-1103. DEFINITIONS -- BONDS -- LIMITATION ON AMOUNT -- ELECTIONS TO AUTHORIZE ISSUANCE. (1) For the purposes of this chapter the following definitions shall have the meanings specified: "Market value for assessment purposes" means the amount of the last preceding equalized assessment of all taxable property and all property exempt from taxation pursuant to section 63-602G, Idaho Code, ~~and property exempt from taxation pursuant to section 63-602KK, Idaho Code,~~ within the school district on the tax rolls completed and available as of the date of approval by the electorate in the school bond election. "Aggregate outstanding indebtedness" means the total sum of unredeemed outstanding bonds, minus all moneys in the bond interest and redemption fund or funds accumulated for the redemption of such outstanding bonds, and minus the sum of all taxes levied for the redemption of such bonds, with the exception of that portion of such tax levies required for the payment of interest on bonds, which taxes remain uncollected. "Issue," "issued," or "issuance" means a formal delivery of bonds to any purchaser thereof and payment therefor to the school district.

(2) The board of trustees of any school district, upon approval of a majority thereof, may submit to the qualified school district electors of the district the question as to whether the board shall be empowered to issue negotiable coupon bonds of the district in an amount and for a period of time to be named in the notice of election.

(3) An elementary school district which employs not less than six (6) teachers, or a school district operating an elementary school or schools, and a secondary school or schools, or issuing bonds for the acquisition of a secondary school or schools, may issue bonds in an amount not to exceed five percent (5%) of the market value for assessment purposes thereof, less the aggregate outstanding indebtedness; and no other school district shall issue bonds in an amount to exceed at any time two percent (2%) of the market value for assessment purposes thereof less the aggregate outstanding indebtedness. The market value for assessment purposes, the aggregate outstanding indebtedness and the unexhausted debt-incurring power of the district shall each be determined as of the date of approval by the electors in the school bond election.

(4) Notice of the bond election shall be given, the election shall be conducted and the returns thereof canvassed, and the qualifications of electors voting or offering to vote shall be, as provided in title 34, Idaho Code.

(5) The question shall be approved only if the percentage of votes cast at such election were cast in favor thereof is that which now, or may hereafter be, set by the constitution of the state of Idaho. Upon such approval of the issuance of bonds, the same may be issued at any time after the date of such election.

SECTION 2. That Section 63-309, Idaho Code, be, and the same is hereby amended to read as follows:

63-309. IMPROVEMENTS ON EXEMPT AND RAILROAD RIGHTS-OF-WAY LANDS -- EQUITY IN STATE PROPERTY. (1) All taxable improvements on government, Indian, state, county, municipal or other lands exempt from taxation, and all improvements on all railroad rights-of-way owned separately from the ownership of the rights-of-way upon which the same stands, or in which nonexempt persons have possessory interests, shall be assessed and taxed as personal property, provided that such improvements shall not be eligible for the exemption provided in section 63-602KK, Idaho Code.

(2) Property of the state of Idaho or any department, agency or subdivision thereof, or any other property not subject to property taxation to the owner thereof by reason of the legal status of the owner, held under contract of sale or lease with option to purchase, with lease moneys applicable to the purchase price, by any person, corporation or other association for his or its exclusive use, shall be subject to the purchaser or lessee for property taxation. When such property is held under a contract of sale or other agreement whereby on certain payment or payments the legal title is or may be acquired by such person, firm, corporation or association, such property shall be assessed to such person, firm, corporation or association and taxed without deduction on account of the whole or any part of the purchase price or other sum due on such property remaining unpaid. The lien for any such property tax shall neither attach to, impair or be enforced against any interest of the state of Idaho or any department, agency or subdivision thereof.

(3) Refusal to pay the property tax levied upon any equity in state property by the owner upon demand by the tax collector shall operate as forfeiture of such equity.

1 SECTION 3. That Section 63-602KK, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 63-602KK. PROPERTY EXEMPT FROM TAXATION -- CERTAIN PERSONAL PROPERTY.

4 (1) (a) An item of taxable personal property purchased on or after Jan-
5 uary 1, 2013, shall be exempt from property taxation if the item of tax-
6 able personal property has an acquisition price of three thousand dol-
7 lars (\$3,000) or less.

8 (b) For purposes of this section, the term "acquisition cost" means all
9 costs required to put an item of taxable personal property into service
10 and includes:

11 (i) The purchase price of a new or used item;

12 (ii) The cost of freight and shipping;

13 (iii) The cost of installation, engineering, erection or assem-
14 bly; and

15 (iv) Sales and use taxes.

16 (c) For purposes of this subsection, an "item of taxable personal prop-
17 erty" means equipment, machinery, furniture or other personal property
18 that is functioning at its highest and best use for the purpose it was
19 designed and constructed and is generally capable of performing that
20 function without being combined with other items of personal property.
21 An item of taxable personal property is not an individual component part
22 of a piece of equipment, machinery, furniture or other personal prop-
23 erty as a whole. An item of taxable personal property does not include
24 an improvement to real property, a part that will become an improvement,
25 or anything defined as a fixture.

26 (2) On and after January 1, 2013, each taxpayer's personal property,
27 located in the county, which is not otherwise exempt, shall be exempt to the
28 extent of one hundred thousand dollars (\$100,000). For the purposes of this
29 section, a taxpayer includes two (2) or more individuals using the property
30 in a common enterprise or a related group of two (2) or more organizations
31 when the individuals or organizations are within a relationship described
32 in section 267 of the Internal Revenue Code, as defined in section 63-3004,
33 Idaho Code.

34 (3) (a) No later than the third Monday of November 2013, the county
35 clerk of each county shall certify to the state tax commission the
36 amount of exemption from property taxes under subsection (2) of this
37 section, in that county for that year. The certification shall identify
38 the property receiving tax reductions, the value of the property, the
39 property's location, the amount of the tax levy applicable to personal
40 property in the location, and the tax before and after the exemption al-
41 lowed in subsection (2) of this section. The certification shall be in
42 the form prescribed by the state tax commission and shall include such
43 additional information as the commission may require by rule as needed
44 to implement the purpose of this section. The certification shall be
45 reviewed and, if necessary, corrected by the state tax commission.

46 (b) For the year beginning January 1, 2014, and every year thereafter,
47 the amount of annual replacement of property tax on personal property
48 exempted pursuant to subsection (2) of this section shall be the amount

1 approved by the state tax commission pursuant to paragraph (a) of this
2 subsection.

3 (4) (a) Subject to the limitations of this section, the state tax
4 commission shall reimburse from the amount appropriated for personal
5 property tax replacement in section 63-3638, Idaho Code, the county
6 treasurer of each county for the reduction on the certification pro-
7 vided in subsection (3) of this section. The county treasurer shall
8 reimburse from the amount received to each taxing district within the
9 county an amount in proportion to the amount of reduction shown on the
10 certification in subsection (3) of this section as corrected. The
11 amount that would otherwise be attributable to tax revenues derived
12 from tax levies on personal property exempted by this section within
13 an existing revenue allocation area as defined in section 50-2903(15),
14 Idaho Code, shall be paid directly by the county treasurer to such pub-
15 lic body or agency entitled thereto, equal to the amounts that would
16 have been distributed in accordance with the formula for such distribu-
17 tion set forth in section 50-2908, Idaho Code. Taxing districts created
18 on or after January 1, 2013, shall not be eligible for the reimbursement
19 provided for in this paragraph.

20 (b) The state tax commission shall pay one-half (1/2) of the reimburse-
21 ment provided in this section no later than December 20 of each year, and
22 the second one-half (1/2) shall be paid by no later than June 20 of the
23 following year. The money received by the county tax collector under
24 the provisions of this section may be considered by counties and other
25 taxing districts and budgeted against at the same time, and in the same
26 manner, and in the same year as revenues from taxation. The total amount
27 paid to the county treasurers shall not exceed the amount certified to
28 the state tax commission under subsection (3) of this section.

29 (c) For purposes of the limitation provided by section 63-802, Idaho
30 Code, moneys received from distributions pursuant to section 63-3638,
31 Idaho Code, as property tax replacement for the taxable value of prop-
32 erty exempt from taxation pursuant to this section shall be treated as
33 property tax revenues.

34 (5) (a) Nothing contained in this section shall affect the taxation of
35 forest lands or forest products pursuant to chapter 17, title 63, Idaho
36 Code, or the taxation of the net profits of mines pursuant to chapter 28,
37 title 63, Idaho Code.

38 (b) The exemption from personal property tax provided for in subsection
39 (2) of this section shall not apply to motor vehicles, recreational ve-
40 hicles, aircraft and boats, ~~which~~ that are not registered with the state
41 of Idaho and for which required registration fees have not been paid.

42 (6) (a) The application for the exemption provided for in subsection
43 (2) of this section shall be in the form prescribed by the state tax com-
44 mission and shall include such information as the state tax commission
45 may require by rule as needed to implement the purpose of this section
46 including, but not limited to, a list of each item of personal property,
47 the purchase date of each item of personal property, the unit cost of
48 each item of personal property, if more than the exemption allowed in
49 subsection (1) of this section, and the total cost of the items of per-
50 sonal property.

(b) The application for this exemption, if the county is capable of so providing, may be transmitted by the county assessor electronically, as that term is defined in section 63-115, Idaho Code, when requested by the taxpayer, or mailed by the county assessor to the taxpayer, or his agent or representative at the taxpayer's last known post office address, no later than March 1 of each year. The transmission or mailing of the application shall also include the taxpayer's application for the exemption allowed by this section for the last year in which the taxpayer filed an application.

(c) A taxpayer need only make application for the exemption in this section once ~~every five (5) years~~, as long as all of the following conditions are met:

(i) The taxpayer has received the exemption during the previous year as a result of him making a valid application as defined in this section.

(ii) The amount of the exemption allowed by this section is more than the taxable value of personal property owned by the taxpayer.

(iii) The taxpayer has not made purchases of personal property, excluding items of taxable personal property exempted pursuant to subsection (1) of this section, that would cause the taxable value of the personal property owned by the taxpayer to exceed the maximum amount allowed as an exemption by this section.

~~(ivd)~~ Knowingly failing to report changes in the taxable value of personal property that exceed the amount of the exemption allowed pursuant to ~~subsection (2) of this section~~ shall subject the taxpayer to a fine not in excess of ten thousand dollars (\$10,000) in addition to other penalties set forth in this chapter.

(7) Recovery of property tax exemptions allowed by this section but improperly claimed ~~per affidavit~~:

(a) Upon discovery of evidence, facts or circumstances indicating any exemption allowed by this section was improperly claimed, the county assessor shall decide whether the exemption claimed should have been allowed, and if not, notify the board of county commissioners, at which time the board may waive a recovery of the property tax and notify such taxpayer in writing.

(b) The assessment and collection of the recovery of property tax must begin within the seven (7) year period beginning on the date the assessment notice reflecting the improperly claimed exemption was required to be mailed to the taxpayer.

(c) The taxpayer may appeal to the board of tax appeals the decision by the board of county commissioners to assess the recovery of property tax within thirty (30) days of the date the county assessor sent the notice to the taxpayer pursuant to this section.

(d) For purposes of calculating the tax, the amount of the recovered property tax shall be for each year the exemption allowed by this section was improperly claimed or approved, up to a maximum of seven (7) years. The amount of the recovery of property tax shall be calculated using the product of the amount of exempted value for each year multiplied by the levy for that year plus costs, late charges and interest for each year at the rates equal to those provided for delinquent property

1 taxes during that year. In cases of fraud, the fine set forth in subsec-
 2 tion (6) (ed) ~~(iv)~~ of this section shall be assessed for each ~~annual affi-~~
 3 ~~davit~~ filed tax year.

4 (e) Any recovery of property tax shall be due and payable no later than
 5 the date provided for property taxes in section 63-903, Idaho Code, and
 6 if not timely paid, late charges and interest, beginning the first day
 7 of January in the year following the year the county assessor sent the
 8 notice to the taxpayer pursuant to this section, shall be calculated at
 9 the current rate provided for property taxes.

10 (f) Recovered property taxes shall be billed, collected and dis-
 11 tributed in the same manner as property taxes, except each taxing dis-
 12 trict or unit shall be notified of the amount of any recovered property
 13 taxes included in any distribution.

14 (g) Thirty (30) days after the taxpayer is notified, as provided in
 15 subsection (7) (a) of this section, the assessor shall record a notice
 16 of intent to attach a lien. Upon the payment in full of such recovered
 17 property taxes prior to the attachment of the lien as provided in sub-
 18 section (7) (h) of this section, or upon the successful appeal by the
 19 taxpayer, the county assessor shall record a rescission of the intent to
 20 attach a lien within seven (7) business days of receiving such payment
 21 or within seven (7) business days of the county commissioners' decision
 22 granting the appeal.

23 (h) Any unpaid recovered property taxes shall become a lien upon the
 24 taxpayer's personal property in the same manner as provided for prop-
 25 erty taxes in section 63-206, Idaho Code, except such lien shall attach
 26 as of the first day of January in the year following the year the county
 27 treasurer sent the notice to the taxpayer pursuant to this section.

28 (i) For purposes of the limitation provided by section 63-802, Idaho
 29 Code, moneys received pursuant to this subsection as recovery of prop-
 30 erty tax shall be treated as property tax revenue.

31 SECTION 4. That Section 63-803, Idaho Code, be, and the same is hereby
 32 amended to read as follows:

33 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing
 34 district is required by law to certify to any county treasurer, county audi-
 35 tor, county assessor, county commissioners or to any other county officer,
 36 any property tax levy, upon property located within said district, such cer-
 37 tification shall, notwithstanding any other provision of the law applicable
 38 to any such district, be made at the time and in the manner hereinafter pro-
 39 vided.

40 (2) The county auditor shall inform each of the taxing districts within
 41 his county of the taxable value of that district as soon as such value is
 42 known to the auditor, whether the value comes from the appraisal and assess-
 43 ment of real and personal property, or from allocation of the taxable value
 44 of operating property, or from other sources.

45 (3) Using the taxable value of the district, the council, trustees,
 46 board or other governing body of any taxing district shall certify the total
 47 amount required from a property tax upon property within the district to
 48 raise the amount of money fixed by their budget as previously prepared or
 49 approved. The amount of money so determined shall be certified in dollars

1 to the appropriate county commissioners. Any taxing unit, except regional
 2 airport authorities, located in more than one (1) county shall divide its
 3 dollar budget for certification to the separate counties by multiplying the
 4 amount of such budget by a fraction, the numerator of which shall be the total
 5 taxable value of all property in such taxing unit within the county to which
 6 such certification is to be made, and the denominator of which shall be the
 7 total taxable value of property in such taxing unit in all such counties.
 8 Budget certification to the participating counties of regional airport
 9 authorities shall be made in the manner prescribed in section 21-807(10),
 10 Idaho Code. Taxable value shall be certified by the county auditor of each
 11 affected county to such taxing unit and such certification shall be used in
 12 this formula. Except as provided in section 33-805, Idaho Code, relating to
 13 school emergency fund levies, the certification to the county commissioners
 14 required in this section shall be made not later than the Thursday prior
 15 to the second Monday in September, unless, upon application therefor, the
 16 county commissioners grant an extension of not more than seven (7) working
 17 days. After receipt of this certification, the county commissioners shall
 18 make a tax levy as a percent of taxable value of all property in the taxing
 19 district which, when applied to the tax rolls, will meet the budget require-
 20 ments certified by such taxing districts.

21 (4) Except as provided in subsection (1)(a) through (f) of section
 22 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
 23 mean the portion of the equalized assessed value, less any exemptions,
 24 ~~except the exemption for personal property in section 63-602KK(2), Idaho~~
 25 ~~Code,~~ and the value that exceeds the value of the base assessment roll for
 26 the portion of any taxing district within a revenue allocation area of an
 27 urban renewal district, located within each taxing district which certifies
 28 a budget to be raised from a property tax levy. When the county auditor is
 29 notified of revenues sufficient to cover expenses as provided in section
 30 50-2903(5), Idaho Code, taxable value shall also include the value that
 31 exceeds the value of the base assessment roll for the portion of any taxing
 32 district within a revenue allocation area. For each taxing district, tax-
 33 able value shall include the value from the property and operating property
 34 rolls for the current year and subsequent and missed property rolls for the
 35 prior year or the best estimate of the subsequent and missed property rolls
 36 for the current year.

37 SECTION 5. That Section 63-803, Idaho Code, as added by Section 13,
 38 Chapter 339, Laws of 2012, be, and the same is hereby amended to read as fol-
 39 lows:

40 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing
 41 district is required by law to certify to any county treasurer, county audi-
 42 tor, county assessor, county commissioners or to any other county officer,
 43 any property tax levy, upon property located within said district, such cer-
 44 tification shall, notwithstanding any other provision of the law applicable
 45 to any such district, be made at the time and in the manner hereinafter pro-
 46 vided.

47 (2) The county auditor shall inform each of the taxing districts within
 48 his county of the taxable value of that district as soon as such value is
 49 known to the auditor, whether the value comes from the appraisal and assess-

1 ment of real and personal property, or from allocation of the taxable value
2 of operating property, or from other sources.

3 (3) Using the taxable value of the district, the council, trustees,
4 board or other governing body of any taxing district shall certify the total
5 amount required from a property tax upon property within the district to
6 raise the amount of money fixed by their budget as previously prepared or
7 approved. The amount of money so determined shall be certified in dollars
8 to the appropriate county commissioners. Any taxing unit, except regional
9 airport authorities, located in more than one (1) county shall divide its
10 dollar budget for certification to the separate counties by multiplying the
11 amount of such budget by a fraction, the numerator of which shall be the total
12 taxable value of all property in such taxing unit within the county to which
13 such certification is to be made, and the denominator of which shall be the
14 total taxable value of property in such taxing unit in all such counties.
15 Budget certification to the participating counties of regional airport
16 authorities shall be made in the manner prescribed in section 21-807(10),
17 Idaho Code. Taxable value shall be certified by the county auditor of each
18 affected county to such taxing unit and such certification shall be used in
19 this formula. Except as provided in section 33-805, Idaho Code, relating to
20 school emergency fund levies, the certification to the county commissioners
21 required in this section shall be made not later than the Thursday prior
22 to the second Monday in September, unless, upon application therefor, the
23 county commissioners grant an extension of not more than seven (7) working
24 days. After receipt of this certification, the county commissioners shall
25 make a tax levy as a percent of taxable value of all property in the taxing
26 district which, when applied to the tax rolls, will meet the budget require-
27 ments certified by such taxing districts.

28 (4) Except as provided in subsection (1)(a) through (e) of section
29 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
30 mean the portion of the equalized assessed value, less any exemptions,
31 ~~except the exemption for personal property in section 63-602KK(2), Idaho~~
32 ~~Code,~~ and the value that exceeds the value of the base assessment roll for
33 the portion of any taxing district within a revenue allocation area of an
34 urban renewal district, located within each taxing district which certifies
35 a budget to be raised from a property tax levy. When the county auditor is
36 notified of revenues sufficient to cover expenses as provided in section
37 50-2903(5), Idaho Code, taxable value shall also include the value that
38 exceeds the value of the base assessment roll for the portion of any taxing
39 district within a revenue allocation area. For each taxing district, tax-
40 able value shall include the value from the property and operating property
41 rolls for the current year and subsequent and missed property rolls for the
42 prior year or the best estimate of the subsequent and missed property rolls
43 for the current year.

44 SECTION 6. That Section 63-3638, Idaho Code, be, and the same is hereby
45 amended to read as follows:

46 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this
47 chapter, except as may otherwise be required in sections 63-3203 and
48 63-3709, Idaho Code, shall be distributed by the state tax commission as
49 follows:

1 (1) An amount of money shall be distributed to the state refund account
2 sufficient to pay current refund claims. All refunds authorized under this
3 chapter by the state tax commission shall be paid through the state refund
4 account, and those moneys are continuously appropriated.

5 (2) Five million dollars (\$5,000,000) per year is continuously appro-
6 priated and shall be distributed to the permanent building fund, provided by
7 section 57-1108, Idaho Code.

8 (3) Four million eight hundred thousand dollars (\$4,800,000) per year
9 is continuously appropriated and shall be distributed to the water pollution
10 control account established by section 39-3628, Idaho Code.

11 (4) An amount equal to the sum required to be certified by the chair-
12 man of the Idaho housing and finance association to the state tax commis-
13 sion pursuant to section 67-6211, Idaho Code, in each year is continuously
14 appropriated and shall be paid to any capital reserve fund, established by
15 the Idaho housing and finance association pursuant to section 67-6211, Idaho
16 Code. Such amounts, if any, as may be appropriated hereunder to the capital
17 reserve fund of the Idaho housing and finance association shall be repaid for
18 distribution under the provisions of this section, subject to the provisions
19 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-
20 tion, as soon as possible, from any moneys available therefor and in excess
21 of the amounts which the association determines will keep it self-support-
22 ing.

23 (5) An amount equal to the sum required by the provisions of sections
24 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated
25 by section 63-718(3), Idaho Code, is continuously appropriated and shall be
26 paid as provided by sections 63-709 and 63-717, Idaho Code.

27 (6) An amount required by the provisions of chapter 53, title 33, Idaho
28 Code.

29 (7) An amount required by the provisions of chapter 87, title 67, Idaho
30 Code.

31 (8) For fiscal year 2011, and each fiscal year thereafter, four million
32 one hundred thousand dollars (\$4,100,000), of which two million two hundred
33 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four
34 (44) counties in equal amounts, and one million nine hundred thousand dol-
35 lars (\$1,900,000) of which shall be distributed to the forty-four (44) coun-
36 ties in the proportion that the population of the county bears to the popula-
37 tion of the state. For fiscal year 2012, and for each fiscal year thereafter,
38 the amount distributed pursuant to this subsection, shall be adjusted annu-
39 ally by the state tax commission in accordance with the consumer price index
40 for all urban consumers (CPI-U) as published by the U.S. department of la-
41 bor, bureau of labor statistics, but in no fiscal year shall the total amount
42 allocated for counties under this subsection, be less than four million one
43 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-
44 justment required in this section shall be distributed to each county in the
45 proportion that the population of the county bears to the population of the
46 state. Each county shall establish a special election fund to which shall be
47 deposited all revenues received from the distribution pursuant to this sub-
48 section. All such revenues shall be used exclusively to defray the costs as-
49 sociated with conducting elections as required of county clerks by the pro-
50 visions of section 34-1401, Idaho Code.

(9) One dollar (\$1.00) on each application for certificate of title or initial application for registration of a motor vehicle, snowmobile, all-terrain vehicle or other vehicle processed by the county assessor or the Idaho transportation department excepting those applications in which any sales or use taxes due have been previously collected by a retailer, shall be a fee for the services of the assessor of the county or the Idaho transportation department in collecting such taxes, and shall be paid into the current expense fund of the county or state highway account established in section 40-702, Idaho Code.

(10) Eleven and five-tenths percent (11.5%) is continuously appropriated and shall be distributed to the revenue sharing account which is created in the state treasury, and the moneys in the revenue sharing account will be paid in installments each calendar quarter by the state tax commission as follows:

(a) Twenty-eight and two-tenths percent (28.2%) shall be paid to the various cities as follows:

(i) Fifty percent (50%) of such amount shall be paid to the various cities, and each city shall be entitled to an amount in the proportion that the population of that city bears to the population of all cities within the state; and

(ii) Fifty percent (50%) of such amount shall be paid to the various cities, and each city shall be entitled to an amount in the proportion that the preceding year's market value for assessment purposes for that city bears to the preceding year's market value for assessment purposes for all cities within the state.

(b) Twenty-eight and two-tenths percent (28.2%) shall be paid to the various counties as follows:

(i) One million three hundred twenty thousand dollars (\$1,320,000) annually shall be distributed one forty-fourth (1/44) to each of the various counties; and

(ii) The balance of such amount shall be paid to the various counties, and each county shall be entitled to an amount in the proportion that the population of that county bears to the population of the state;

(c) Thirty-five and nine-tenths percent (35.9%) of the amount appropriated in this subsection shall be paid to the several counties for distribution to the cities and counties as follows:

(i) Each city and county which received a payment under the provisions of section 63-3638(e), Idaho Code, during the fourth quarter of calendar year 1999, shall be entitled to a like amount during succeeding calendar quarters.

(ii) If the dollar amount of money available under this subsection (10) (c) in any quarter does not equal the amount paid in the fourth quarter of calendar year 1999, each city's and county's payment shall be reduced proportionately.

(iii) If the dollar amount of money available under this subsection (10) (c) in any quarter exceeds the amount paid in the fourth quarter of calendar year 1999, each city and county shall be entitled to a proportionately increased payment, but such increase

1 shall not exceed one hundred five percent (105%) of the total pay-
2 ment made in the fourth quarter of calendar year 1999.

3 (iv) If the dollar amount of money available under this subsection
4 (10) (c) in any quarter exceeds one hundred five percent (105%) of
5 the total payment made in the fourth quarter of calendar year 1999,
6 any amount over and above such one hundred five percent (105%)
7 shall be paid fifty percent (50%) to the various cities in the pro-
8 portion that the population of the city bears to the population of
9 all cities within the state, and fifty percent (50%) to the various
10 counties in the proportion that the population of a county bears to
11 the population of the state; and

12 (d) Seven and seven-tenths percent (7.7%) of the amount appropriated in
13 this subsection shall be paid to the several counties for distribution
14 to special purpose taxing districts as follows:

15 (i) Each such district which received a payment under the provi-
16 sions of section 63-3638 (e), Idaho Code, during the fourth quarter
17 of calendar year 1999, shall be entitled to a like amount during
18 succeeding calendar quarters.

19 (ii) If the dollar amount of money available under this subsec-
20 tion (10) (d) in any quarter does not equal the amount paid in the
21 fourth quarter of calendar year 1999, each special purpose taxing
22 district's payment shall be reduced proportionately.

23 (iii) If the dollar amount of money available under this subsec-
24 tion (10) (d) in any quarter exceeds the amount distributed under
25 paragraph (i) of this subsection (10) (d), each special purpose
26 taxing district shall be entitled to a share of the excess based on
27 the proportion each such district's current property tax budget
28 bears to the sum of the current property tax budgets of all such
29 districts in the state. The state tax commission shall calculate
30 district current property tax budgets to include any unrecovered
31 foregone amounts as determined under section 63-802(1) (e), Idaho
32 Code. When a special purpose taxing district is situated in more
33 than one (1) county, the state tax commission shall determine the
34 portion attributable to the special purpose taxing district from
35 each county in which it is situated.

36 (iv) If special purpose taxing districts are consolidated, the
37 resulting district is entitled to a base amount equal to the sum of
38 the base amounts which were received in the last calendar quarter
39 by each district prior to the consolidation.

40 (v) If a special purpose taxing district is dissolved or disin-
41 corporated, the state tax commission shall continuously distrib-
42 ute to the board of county commissioners an amount equal to the
43 last quarter's distribution prior to dissolution or disincorpora-
44 tion. The board of county commissioners shall determine any re-
45 distribution of moneys so received.

46 (vi) Taxing districts formed after January 1, 2001, are not enti-
47 tled to a payment under the provisions of this subsection (10) (d).

48 (vii) For purposes of this subsection (10) (d), a special purpose
49 taxing district is any taxing district which is not a city, a
50 county or a school district.

1 (11) Amounts calculated in accordance with section 2, chapter 356, laws
2 of 2001, for annual distribution to counties and other taxing districts be-
3 ginning in October 2001 for replacement of property tax on farm machinery and
4 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool
5 districts, the state tax commission shall distribute one-fourth (1/4) of
6 this amount certified quarterly to each county. For school districts, the
7 state tax commission shall distribute one-fourth (1/4) of the amount certi-
8 fied quarterly to each school district. For nonschool districts, the county
9 auditor shall distribute to each district within thirty (30) calendar days
10 from receipt of moneys from the state tax commission. Moneys received by
11 each taxing district for replacement shall be utilized in the same manner
12 and in the same proportions as revenues from property taxation. The moneys
13 remitted to the county treasurer for replacement of property exempt from
14 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the
15 counties and other taxing districts and budgeted at the same time, in the
16 same manner and in the same year as revenues from taxation on personal prop-
17 erty which these moneys replace. If taxing districts are consolidated, the
18 resulting district is entitled to an amount equal to the sum of the amounts
19 which were received in the last calendar quarter by each district pursuant
20 to this subsection prior to the consolidation. If a taxing district is
21 dissolved or disincorporated, the state tax commission shall continuously
22 distribute to the board of county commissioners an amount equal to the
23 last quarter's distribution prior to dissolution or disincorporation. The
24 board of county commissioners shall determine any redistribution of moneys
25 so received. If a taxing district annexes territory, the distribution of
26 moneys received pursuant to this subsection shall be unaffected. Taxing
27 districts formed after January 1, 2001, are not entitled to a payment under
28 the provisions of this subsection. School districts shall receive an amount
29 determined by multiplying the sum of the year 2000 school district levy mi-
30 nus .004 times the market value on December 31, 2000, in the district of the
31 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-
32 vided that the result of these calculations shall not be less than zero (0).
33 The result of these school district calculations shall be further increased
34 by six percent (6%). For purposes of the limitation provided by section
35 63-802, Idaho Code, moneys received pursuant to this section as property tax
36 replacement for property exempt from taxation pursuant to section 63-602EE,
37 Idaho Code, shall be treated as property tax revenues.

38 (12) Amounts necessary to pay refunds as provided in section 63-3641,
39 Idaho Code, to a developer of a retail complex shall be remitted to the demon-
40 stration pilot project fund created in section 63-3641, Idaho Code.

41 (13) Amounts calculated in accordance with subsection (4) of section
42 63-602KK, Idaho Code, for annual distribution to counties and other taxing
43 districts for replacement of property tax on personal property tax exemp-
44 tions pursuant to subsection (2) of section 63-602KK, Idaho Code, which
45 amounts are continuously appropriated unless the legislature enacts a dif-
46 ferent appropriation for a particular fiscal year. For purposes of the
47 limitation provided by section 63-802, Idaho Code, moneys received pursuant
48 to this section as property tax replacement for property exempt from taxa-
49 tion pursuant to section 63-602KK, Idaho Code, shall be treated as property
50 tax revenues. If taxing districts are consolidated, the resulting district

1 is entitled to an amount equal to the sum of the amounts that were received in
2 the last calendar year by each district pursuant to this subsection prior to
3 the consolidation. If a taxing district or revenue allocation area annexes
4 territory, the distribution of moneys received pursuant to this subsection
5 shall be unaffected. Taxing districts and revenue allocation areas formed
6 after January 1, 2013, are not entitled to a payment under the provisions of
7 this subsection.

8 (14) Any moneys remaining over and above those necessary to meet and
9 reserve for payments under other subsections of this section shall be dis-
10 tributed to the general fund.

11 SECTION 7. An emergency existing therefor, which emergency is hereby
12 declared to exist, Sections 1, 2, 3, 4 and 6 of this act shall be in full force
13 and effect on and after passage and approval, and retroactively to January
14 1, 2014. Section 5 of this act shall be in full force and effect on and after
15 July 1, 2017.